

## REMARKS

Applicants respectfully request reconsideration of the present U.S. Patent application as amended herein. Claims 1, 11, 21 and 24 have been amended. No claims have been added or canceled. Thus, Claims 1-8, 10-18 and 20-30 remain pending.

### Claim Rejections - 35 U.S.C. § 102

Claims 1, 2, 4-8, 10-12, 14-18 and 20-22 were rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 5,629,980 issued to Stefik, et al. (*Stefik*). For at least the reasons set forth below, Applicants submit that claims 1, 2, 4-8, 10-12, 14-18 and 20-22 are not anticipated by *Stefik*.

Claim 1 recites the following:

creating a first license having a first cardinality, wherein the cardinality indicates the number of playback devices that can be authorized for playback of associated digital audio content, the license created by a license management device;

storing the first license in a first set of playback devices in response to a command from the license management device, wherein the first set of playback devices is less than or equal to the first cardinality;

storing the first license in first digital audio content; and

authorizing playback of the first digital audio content with the first set of playback devices.

Thus, Applicants claim creating a license that includes a cardinality to determine the number of playback devices the license can be used to authorize for playback. Claim 11 is directed to a machine-readable medium and recites similar limitations. Claim 21 also recites similar limitations.

*Stefik* discloses associating usage rights with the digital content, not the playback device. *Stefik* states:

A key feature of the present invention is that **usage rights are permanently “attached” to the digital work**. Copies made of a digital work will also have usage rights attached.

See col. 6, lines 51-53 (emphasis added). The usage rights associated with the digital works allow devices to request activities (e.g., copying the digital work) from a repository. The licenses are not used to authorize playback by multiple playback devices. Thus, licenses, as disclosed by *Stefik*, are not stored or associated with a set of playback devices. Therefore, *Stefik* does not anticipate the invention as claimed in claim 1.

Claims 2, 4-8 and 10 depend from claim 1. Claims 12, 14-18 and 20 depend from claim 11. Claim 22 depends from claim 21. Because dependent claims include the limitations of the claims from which they depend, Applicants submit that claims 2, 4-8, 10, 12, 14-18, 20 and 22 are not anticipated by *Stefik* for at least the reasons set forth above with respect to claims 1, 11 and 21.

Claims 24 and 28-30 were rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 5,969,283 issued to Looney, et al. (*Looney*). For at least the reasons set forth below, Applicants submit that claims 24 and 28-30 are not anticipated by *Looney*.

Claim 24 recites the following:

A digital data signal embodied in a data communications medium shared among a plurality of network devices to provide digital audio programming, the digital data signal comprising license having a first cardinality, wherein the cardinality indicates the number of playback devices that can be authorized for playback of associated digital audio content, the license having been created by a license management device, the digital data signal further comprising a first digital audio content that is at least a subset of the digital audio programming, wherein a set of playback devices receive the digital data signal and authorize playback of the first digital audio signal if the license included in the computer data

signal matches at least one license stored in the respective playback devices.

Thus, Applicants claim a license cardinality that determines the number of playback devices the license can be used to authorize for playback.

*Looney* discloses a playback station in which audio content can be played back. However, *Looney* does not mention a license having cardinality associated with the playback device that indicates the number of playback devices that can be authorized with the license. Therefore, *Looney* does not anticipate the invention as claimed in claim 24.

Claims 28-30 depend from claim 24. Because dependent claims include the limitations of the claim from which they depend, Applicants submit that claims 28-30 are not anticipated by *Looney* for at least the reasons set forth above.

#### Claim Rejections - 35 U.S.C. § 103

Claims 3, 13 and 23 were rejected under 35 U.S.C. § 103(a) as being unpatentable over *Stefik* in view of U.S. Patent No. 5,745,879 issued to Wyman (*Wyman*). For at least the reasons set forth below, Applicants submit that claims 3, 13 and 23 are not rendered obvious by *Stefik* and *Wyman*.

*Wyman* is cited to teach different nodes belonging to different accounts. Whether or not *Wyman* teaches different nodes belonging to different accounts, because *Wyman* does not teach or suggest a license that includes a cardinality to determine the number of playback devices the license can be used to authorize for playback, *Wyman* does not cure the deficiencies of *Stefik*. Therefore, no combination of *Stefik* and *Wyman* teaches or suggests the invention as claimed in claims 3, 13 and 23.

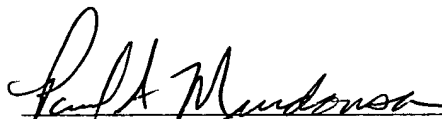
Conclusion

For at least the foregoing reasons, Applicants submit that the rejections have been overcome. Therefore, claims 1-8, 10-18 and 20-30 are in condition for allowance and such action is earnestly solicited. The Examiner is respectfully requested to contact the undersigned by telephone if it is believed that such contact would further the examination of the present application.

Please charge any shortages and credit any overcharges to our Deposit Account number 02-2666.

Respectfully submitted,  
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MARKED VERSION OF THE AMENDED CLAIMS

1. (Three Times Amended) A method comprising:

creating a first license having a first cardinality, wherein the cardinality indicates the number of playback devices that can be authorized for playback of associated digital audio content, the license created by a license management device;

storing the first license in a first set of playback devices in response to a command from the license management device, wherein the first set of playback devices is less than or equal to [determined based, at least in part, on] the first cardinality;

storing the first license in first digital audio content; and

authorizing playback of the first digital audio content with the first set of playback devices.

11. (Three Times Amended) A machine-readable medium having stored thereon sequences of instructions that when executed one or more electronic systems to:

create a first license having a first cardinality, wherein the cardinality indicates the number of playback devices that can be authorized for playback of associated digital audio content, the license created by a license management device;

store the first license in a first set of playback devices in response to a command from the license management device, wherein the first set of playback devices is less than or equal to [determined based, at least in part, on] the first cardinality;

store the first license in first digital audio content; and

authorize playback of the first digital audio content with the first set of playback

devices.

21. (Twice Amended) An apparatus for digital license management, the apparatus comprising:

means for creating a first license having a first cardinality, wherein the cardinality indicates the number of playback devices that can be authorized for playback of associated digital audio content, the license created by a license management device;

means for storing the first license in a first set of playback devices in response to a command from the license management device, wherein the first set of playback devices is less than or equal to [determined based, at least in part, on] the first cardinality;

means for storing the first license in first digital audio content; and

means for authorizing playback of the first digital audio content with the first set of playback devices.

24. (Amended) A digital data signal embodied in a data communications medium shared among a plurality of network devices to provide digital audio programming, the digital data signal comprising license having a first cardinality, wherein the cardinality indicates the number of playback devices that can be authorized for playback of associated digital audio content, the license having been created by a license management device, the digital data signal further comprising a first digital audio content that is at least a subset of the digital audio programming, wherein a set of playback devices receive the digital data signal and authorize playback of the first digital audio

signal if the license included in the computer data signal matches at least one license stored in the respective playback devices.